BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF FIDELITY EXPLORATION & PRODUCTION COMPANY FOR AN ORDER ESTABLISHING A SPECIAL DRILLING UNIT FOR THE CCU 7-1-26-20 HORIZONTAL WELL FOR THE PRODUCTION OF OIL AND ASSOCIATED GAS AND HYDROCARBONS FROM THE PARADOX FORMATION COMPRISED OF LOTS 9 AND 10, SE¼NW¼, E½SW¼, W½SE¼ AND SE¼SE¼ OF SECTION 6, AND NE¼NE¼ OF SECTION 7, TOWNSHIP 26 SOUTH, RANGE 20 EAST, SLM, GRAND COUNTY, UTAH

NOTICE OF HEARING

Docket No. 2015-027 Cause No. 166-06

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on WEDNESDAY, OCTOBER 28, 2015, at 9:00 AM, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq., and as provided for in Utah Code Ann. § 40-6-1 et seq., and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Request for Agency Action that the Board enter an Order:

1. Establishing a special drilling unit for the CCU 7-1-26-20 horizontal well (the "Subject Well") for the production of oil and associated gas and hydrocarbons from the Paradox formation, defined for purposes of this Cause as follows:

that interval between the stratigraphic equivalence of 3,962 feet and 7,684 feet, as shown on the Dual Induction Log of the CCU 7-1-26-20 Well, with a surface hole location in the NE¼NE¼, Section 7, T26S, R20E, SLM,

comprised of the following Grand County, Utah lands:

Township 26 South, Range 20 East, SLM

Section 6:

Lots 9 (38.55) and 10 (38.65),

SE1/4NW1/4, E1/2SW1/4, W1/2SE1/4,

and

SE1/4SE1/4

Section 7:

NE¼NE¼

(containing 357.20 acres)

(the "Subject Lands"), retroactive to January 27, 2014, the date of first production from the Subject Well;

2. Providing that no well (whether vertical or horizontal) producing from the Paradox formation (as defined above) may be located 660 feet closer than from any portion of the Subject Well's lateral located within said Formation without an exception location approval by the Division or Board in accordance with Utah Admin. Code Rule R649-3-3; and

3. Providing for such other and further relief as may be just and equitable under the circumstances.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than October 14, 2015. A party must file a timely written objection or other response in order to participate as a party at the Board hearing. Failure to participate can result in a default judgment.

Natural persons may appear and represent themselves before the Board. All other representation of parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned, and inspected online at the Utah Board of Oil, Gas and Mining's website at http://ogm.utah.gov/amr/boardtemp/redesign/books.html.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 30th day of September, 2015.

STATE OF UTAH BOARD OF OIL, GAS AND MINING Ruland J. Gill, Jr., Chairman

/s/ Julie Ann Carter Board Secretary

1594 West North Temple, Suite 1210

Salt Lake City, Utah 84116

(801) 538-5277

CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2015-027 Cause No. 166-06 to be PUBLISHED in the following newspapers on the following days:

October 4, 2015:

<u>The Salt Lake Tribune</u> and <u>Deseret Morning News</u>, newspapers of general circulation in Salt Lake City and County.

October 8, 2015:

<u>Times-Independent</u>, a newspaper of general circulation in Emery, Grand, and San Juan Counties.

Julie Am Carter

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of October, 2015, I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2015-027 Cause No. 166-06, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

Frederick M. MacDonald, Esq. MacDonald & Miller Mineral Legal Services, PLLC 7090 S. Union Park Avenue, Suite 400 Midvale, UT 84047

Attorney for Fidelity Exploration & Production Company

Steven F. Alder, Esq.
John Robinson Jr., Esq.
Assistant Attorneys General
1594 West North Temple Ste 300
Salt Lake City, Utah 84116
[Via Email]

Attorney for Division of Oil, Gas and Mining

XTO Energy, Inc./ExxonMobil Corporation Attn: Paul L. Keffer 810 Houston St. Fort Worth, TX 76102

Emily Carlisle P.O. Box 1908 McComb, MS 39649-1908

Bureau of Land Management Utah State Office Attn: Roger Bankert 440 West 200 South, Suite 500 Salt Lake City, UT 84101 Petitioner's Address:

Wes Adams, Landman Fidelity Exploration & Production Company 1801 California St., Suite 2500 Denver, CO 80202

Michael S. Johnson Assistant Attorney General 1594 West North Temple #300 Salt Lake City, Utah 84116 [Via Email]

Attorney for Board of Oil, Gas and Mining

Elizabeth W. Alford P.O. Box 489 McComb, MS 39649-0489

Aspect Energy LLC Attn: Land Dept. 1775 Sherman St., #2400 Denver, CO 80203

QEP Energy Company Attn: Jennifer Bates 1050 17th St., Ste. 500 Denver, CO 80265 Bureau of Land Management Moab Field Office Attn: Eric Jones 82 East Dogwood Moab, UT 84532 Hugh E. Harvey, Jr. 2142 S. Holland Street Lakewood, CO 80227-2269

Long Canyon LLC Attn: Land Department 1775 Sherman St., #2400 Denver, CO 80203

Elise A. Lambuth 147 Harper St. Ridgeland, MS 39157-8675

Robert P. Jornayvaz III 707 17th St., Suite 4200 Denver, CO 80202-3432 Katherine A. Swaney 10106 Dogwood Ave. Palm Beach Gardens, FL 33410

Aspect Resources Limited Liability Company 511 16th Street, Suite 300 Denver, CO 80202